

**MINUTES  
REGULAR MEETING  
RETIREMENT BOARD OF TRUSTEES  
EMPLOYEES' RETIREMENT SYSTEM OF THE CITY OF BATON ROUGE  
AND PARISH OF EAST BATON ROUGE  
JUNE 27, 2019**

The regular meeting of the Retirement Board of Trustees was held in the boardroom of the Retirement Office at 209 St. Ferdinand Street, and was called to order at 10:06 a.m. by Board Chairman Ms. Marsha Hanlon. Members present: Chief Richard Sullivan, Mr. Mark LeBlanc, Sergeant Neal Noel, Mr. Joseph Touns, and Mr. David West. Absent: Mr. Brian Bernard. Staff present: Mr. Jeffrey Yates, Mr. Russell Smith, Mr. Mark Williams, and Mr. Kyle Drago. Others present: Ms. Denise Akers – legal counsel.

Mr. Kyle Drago formally called the roll.

There was a call for public comments prior to introduction of the first agenda item. There were no public comments.

The chairman began by introducing Item 1, Reading and Approval of Minutes, and noted that there were minutes being considered for approval from the regular meeting of May 30, 2019, and called for a motion.

**Motion by Mr. LeBlanc, seconded by Mr. West to suspend the reading of, and approve the minutes of the regular meeting of May 30, 2019 as presented.**

**No discussion and no objections.**

**Motion passed by those members present.**

Under Item 2, Disability, there were no applications for consideration for disability retirement.

The next item on the agenda was Item 3, Benefits Report, and the chairman called on Mr. Yates to present the report. Mr. Yates stated that the report included the DROP entry of a Board member, but that the Board member was not in attendance today. He stated that there was nothing unusual that needed to be pointed out, that the report was in order as presented, and that the staff would answer any questions.

**Motion by Mr. West, seconded by Chief Sullivan to approve the Benefits Report as presented.**

**No discussion and no objections.**

**Motion passed by those members present.**

The next item on the agenda was Item 4, DROP Notifications Report, and it was noted that this report was provided for informational purposes only, and no action was necessary.

The chairman then moved to Item 5, Consultant Reports, and under 5A, Status on Pending Legal Matters recognized Ms. Akers. Ms. Akers stated that she and Mr. Yates were able to negotiate an investment consultant contract with AndCo very quickly, and that AndCo had accepted all the requested terms in the contract. Both parties had signed the contract. Regarding the City of St. George issue, she stated that in spite of many efforts of the staff, the Baton Rouge delegation, and her office, the Louisiana House of Representatives passed Senate Bill 229 with the amendments. However, the Governor elected to veto the bill a few days after its passage at the request of Mayor Broome and other parties. Mr. Touns thanked everyone who reached out to the Governor regarding the veto of the bill.

Under Item 6, Committee Reports, there were no reports on the agenda.

Moving to Item 7, Staff Reports, the chairman noted that under Item 7C there were invoices from the Law Offices of Akers & Wisbar, LLC for the month of May, which Mr. Smith verified as being in order as presented.

**Motion by Mr. LeBlanc, seconded by Mr. West to approve payment for the charges to the Law Offices of Akers & Wisbar, LLC as presented.**

**No discussion and no objections.**

**Motion passed by those members present.**

Under Item 7E there was an invoice from Foster & Foster Actuarial, which Mr. Yates stated was for the annual actuarial valuation and the GASB 67/68 report, and was in order as presented.

**Motion by Mr. Toups, seconded by Mr. LeBlanc to approve payment for the charges to the actuarial firm of Foster & Foster as presented.**

**No discussion and no objections.**

**Motion passed by those members present.**

Moving to Item 7F, Investment Manager/Consultant Invoices, there were no investment manager invoices for review.

Under 7G, Cash Activity Report, Mr. Drago stated that there was no unusual activity for the month, and that the budget comparison report was included in the packets.

The next item on the agenda was Item 8, Unfinished Business, and the chairman noted Item 8A, Update on Action Taken Regarding Withdrawal Liability and CPERS Ordinance Language Changes, and called on Mr. LeBlanc for his comments. Mr. LeBlanc stated that he and Mr. Toups were going to distribute a memo to Metro Council members outlining a course of action to protect the System by amending retirement ordinance language to establish and pay withdrawal liability for any regions of the parish that incorporate apart from City-Parish government. The target date for the public hearing is August 14<sup>th</sup>, and Ms. Akers, Mr. Bob Klausner, Ms. Shelley Johnson, and representatives from the Baton Rouge Fire Department would be in attendance. Mr. LeBlanc noted that he and Mr. Toups will be happy to meet with any Council members to explain the requested action and the language of the ordinance revisions. He stated that this action would definitively put the Council on notice that there would be financial ramifications if St. George was created without a mechanism to assign the payment of CPERS' liability. There was a discussion regarding the position of the Parish Attorney's Office in this matter, and it was noted that the office had never opined about the issue as requested by the Retirement Board. Ms. Hanlon suggested reaching out to Mr. Andy Dotson and again asking for a formal opinion prior to the Council meeting. Mr. Toups stated that it was important to note that the Board had been considering this action for well over a year, and it was not associated with Senate Bill 229 only.

Under Item 8B, 2018 Professional Consultant Evaluations, the chairman reminded the Board members to turn in their evaluations to Mr. Smith as soon as possible.

The chairman then moved to Item 9, New Business, and under 9A, Consideration of 2019 Supplemental Benefit Payment (SBP) Declaration, called on Mr. Yates. Mr. Yates presented the page of the most recent actuarial valuation showing the funds that were available for the SBP. Last year the Board had authorized using up to two-thirds of the available funds in order to create a reserve for future year's payments. Two-thirds of the available funds would amount to approximately \$1.6 million, and the estimated amount needed to pay the SBP was approximately \$1.4 million.

**Motion by Mr. LeBlanc, seconded by Chief Sullivan to declare as payable, the 2019 Supplemental Benefit Payment in accordance with the estimates presented.**

**No discussion and no objections.**

**Motion passed by those members present, with the exception of Mr. Toups who abstained.**

Under Item 10, Administrative Matters, there were no matters to address.

The chairman then continued to Item 11, Police Guarantee Trust Matters, and under Item 11A, PGT Benefits Report, recognized Mr. Yates who stated that there were three items on the report, and that it was in order as presented.

**Motion by Mr. West, seconded by Mr. LeBlanc to approve the PGT Benefits Report as presented.**

**No discussion and no objections.**

**Motion passed by those members present.**

Under Item 11B, the chairman noted that the PGT DROP Notifications Report was provided for the Board's information, and that no action was required.

There were no matters under Item 11C, Consultants' Reports.

There were no investment manager invoices under Item 11D.1 for the Board's review.

Under Item 11D.2 there was an invoice from Foster & Foster Actuarial for preparation of the PGT annual actuarial valuation, and the chairman called for a motion.

**Motion by Mr. LeBlanc, seconded by Mr. West to approve payment for the charges to the actuarial firm of Foster & Foster as presented.**

**No discussion and no objections.**

**Motion passed by those members present.**

Under Item 11D.3, PGT Cash Activity Report, Mr. Drago stated there was no unusual activity for the month, and that the budget comparison report was attached.

Under Items 11E New Business, 11F Unfinished Business, and 11G, there were no items to address.

Seeing no further items on the agenda, the chairman called for a motion to adjourn.

**Motion by Mr. LeBlanc, seconded by Ms. Hanlon to adjourn at 10:27 a.m.**

**No discussion and no objections.**

**Motion passed by those members present.**

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**MARSHA HANLON**  
**CHAIRMAN, RETIREMENT BOARD OF TRUSTEES**

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**JEFFREY R. YATES**  
**RETIREMENT ADMINISTRATOR**